

**REDEVELOPMENT AGENCY MEETING
MAY 3, 2005**

The meeting called to order as the City Council at 10:10 a.m. by Mayor Murphy with Deputy Mayor Zucchet and Council Member Inzunza not present.

Roll Call Peters, Zucchet, Atkins, Young, Maienschein,
 Fyre, Madaffer, Inzunza, and Mayor Murphy

Richard Mendes, Deputy City Manager
Leslie J. Girard, City Attorney
Prescilla Duggard, City Attorney
Elizabeth Maland, City Clerk

Mayor Murphy recessed the meeting at 11:01 a.m. due to a disruption from a member of the public.

The meeting reconvened as the City Council at 11:08 a.m. by Mayor Murphy with Deputy Mayor Zucchet and Council Member Inzunza not present.

The meeting adjourned as the City Council at 11:31 a.m.

The meeting reconvened as the Redevelopment Agency at 11:31 a.m. by Chair Murphy with Members Zucchet and Inzunza not present.

Adoption

1. **South Block Lofts-Amended and Restated Disposition and Development Agreement with Oliver McMillan, LLC & Review of Basic Concept/Schematic Drawings-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project. Joint Public Hearing (District 2)**

(RA 2005-122)

Approve a Proposed Amendment and Restated Disposition and Development Agreement with Oliver McMillan, LLC.

(RA 2005-121)

Certify that the Agency has reviewed and considered the Master Environmental Impact Report and the Secondary Study with respect to the Proposed Amendment and Restated Disposition and Development Agreement with Oliver McMillan, LLC.

REDEVELOPMENT AGENCY MINUTES – MAY 3, 2005

Adoption

1. **South Block Lofts-Amended and Restated Disposition and Development Agreement with Oliver McMillan, LLC & Review of Basic Concept/Schematic Drawings-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project. Joint Public Hearing (District 2)**

(Continued)

(RA 2005-120)

Approve the Basic Concept/Schematic Drawings for the proposed project.

See Centre City Development Corporation Report nos. CCDC-05-11, and CCDC-05-05, dated, April 27, 2005.

Council Companion Item no. 333

Staff: Eli Sanchez 533-7121

Atty: Rachel Witt

Auditor Certificate Number: See AC 2400756

Motion by Member Atkins to adopt with direction to the Executive Director and CCDC, in terms of a vacant lot that has been allowed to be used for parking

Because the project was not being developed, to come back to the Redevelopment Agency with an update on the issue of the parking downtown (with Zucchet and Inzunza not present)

Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-03896, D-03896; R-03897 and R-03898; City Council Resolution numbers R-300387,R-300388, and R-300389.

REDEVELOPMENT AGENCY MINUTES – MAY 3, 2005

Adoption

2. **City Heights Square Office and Retail Project Disposition and Development Agreement. (District 3)**

(RA 2005-129)

Subitem A. Certifying that the information contained in Mitigated Negative Declaration (MND) No. 40960 has been completed in Compliance with the California Environmental Quality Action (CEQA) and State CEQA Guidelines, and that said MND reflects the independent judgment of the City of San Diego Redevelopment Agency. Adopting the Mitigation, Monitoring and Reporting Program.

(RA 2005-130)

Subitem B. Amend the Redevelopment Agency budget for the City Heights Redevelopment Project and authorize the Executive Director or designee to accept and expend up to \$3,500,000 of the developer advances for the City Heights Square Office/Retail project; expenditure is contingent upon Auditors first supplying an Auditors Certificate.

(RA 2005-130)

Subitem C. Authorize the Executive Director or designee to execute a Disposition and Development Agreement with San Diego Revitalization Corporation for the City Heights Square Office/Retail Project.

(RA 2005-132)

Subitem D. Authorize the Executive Director or designee to execute a Purchase and Sale Agreement with San Diego Revitalization Corporation for the City Heights Square Office/Retail Project.

REDEVELOPMENT AGENCY MINUTES – MAY 3, 2005

Adoption

2. **City Heights Square Office and Retail Project Disposition and Development Agreement. (District 3)**

(Continued)

(RA 2005-131)

Subitem E. Approve the Basic Concept Drawings.

(RA 2005-130)

Subitem F. Authorize the Executive Director or designee to make contingent offers for acquisition of properties for the City Heights Square Office/Retail Project.

See Redevelopment Agency Report no. RA-05-10 and City Manager Report no. CMR-05-094, dated, April 26, 2005.

Council Companion Item no. 331

Motion by Member Atkins to approve (with Zucchet and Inzunza not present)

Second by Member Madaffer

Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-03899, D-03899; R-03900, D-03900; R-03901, D-03901; and R-03902, D-03902; and City Council Resolution numbers R-300383 and R-300384.

Staff: Jim LoBue 533-5263

Atty: Sharon Matthews

3. **City Heights Square Senior Housing Project. (District 3)**

(RA 2005-134)

Subitem A. Stating for the record that the Final Mitigated Negative Declaration (MND) No. 40960 has been reviewed and considered prior to approving the project; directing the City Clerk to file a Notice of Determination.

(RA 2005-135)

Subitem B. Approve the Basic Concept Drawings.

REDEVELOPMENT AGENCY MINUTES – MAY 3, 2005

Adoption

3. **City Heights Square Senior Housing Project. (District 3)**

(Continued)

(RA 2005-136) (Cor. Copy)

Subitem C. Authorize the expenditure of funds for the City Heights Square Senior Housing Project in an amount not-to-exceed \$7,105,000 from the Centre City Project Areas as an Agency residual receipts loan contribution to the project.

(RA 2005-136)) (Cor. Copy)

Subitem D. Authorize the Executive Director or designee to execute a Disposition and Development Agreement with City Heights Square, L.P. for the City Heights Square Senior Housing project.

(RA 2005-138)

Subitem E. Authorize the Executive Director or designee to execute two Purchase and Sale Agreements with San Diego Revitalization Corporation for acquisition of parcels in the project site.

(RA 2005-136)) (Cor. Copy)

Subitem F. Authorize the Executive Director or designee to make contingent offers for acquisition of properties for the City Heights Square Senior Housing Project.

(RA 2005-136)) (Cor. Copy)

Subitem G. Approve findings of benefit for the use of Centre City housing set aside bond funds outside of the Centre City project area.

See Redevelopment Agency Report no. RA-05-11 and City Manager Report no. CMR-05-095, dated, April 27, 2005.

Council Companion Item no. 332

Adoption

3. **City Heights Square Senior Housing Project. (District 3)**

(Continued)

Motion by Member Atkins to approve with the amendment to not split the Residual Receipts between the Agency and the Organization, but that they stay with the Social Service Organization (with Zucchet and Inzunza not present)

Second by Member Madaffer

Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-03903, D-03903; R-03904, D-03904; R-03905, D-03905; and R-03906; and City Council Resolution numbers R-300385 and R-300386.

Staff: Bob Kennedy 533-4276

Atty: Sharon Matthews

Auditor Certificate Number: AC 2500937

4. **Grantville Redevelopment Project. (District 7)**

On April 19, 2005 a joint public hearing to take testimony on the proposed adoption of the Grantville Redevelopment Plan, accept the Report to the City Council and adjourn the joint meeting until May 3, 2005.

(RA 2005-127 Corr. Copy)

Subitem A. Certify the Final Program Environmental Impact Report and Addendum for the Grantville Redevelopment Project and approve findings, adopting a revised Mitigation Monitoring and Reporting Program and adopting a statement of over-riding considerations.

(RA 2005-124)

Subitem B. Approve and Adopt the Grantville Redevelopment Plan and Agency Report to the City Council.

(RA 2005-126)

Subitem C. Approve and Adopt the Rules Governing Participation by Property Owners and Preferences for Businesses to Reenter and authorize submittal to City Council.

REDEVELOPMENT AGENCY MINUTES – MAY 3, 2005

Adoption

4. Grantville Redevelopment Project. (District 7)

(Continued)

(RA 2005-125)

Subitem D. Approve and Adopt Findings that permit the Use of Tax Increment Funds for Low and Moderate Income Housing Outside the Project Area.

See Redevelopment Agency Report no. RA-05-14 and City Manager Report no. CMR-05-099, dated, April 27, 2005.

Council Companion Item no. 334

Tracy Reed, project manager, Redevelopment Agency, presented staff report and slide presentation.

The meeting adjourned as the Redevelopment Agency with City Council at 12:00 p.m. to reconvene at 2:00 p.m.

The meeting called to order at 2:08 p.m. by Mayor Murphy with Council Members Peters and Zucchet not present.

The meeting adjourned as the City Council at 2:13 p.m.

The meeting reconvened as the Redevelopment Agency at 2:13 p.m. with Member Zucchet not present.

REDEVELOPMENT AGENCY MINUTES – MAY 3, 2005

Adoption

4. Grantville Redevelopment Project. (District 7)

(Continued)

Public testimony in opposition by Phil Teyssler, Melissa Bacall, Joseph Beycrle, Deborah Greenhill, Patricia Rudluff-Jenning, Charles Little, John McNab, Joel Stilwagen, Murray Luftig, Don Strong and Alan Hunter

Motion by Member Madaffer to approve with direction to staff that hydrology studies must be included as part of any Environmental Impact Report for proposed development along both the San Diego River and Alvarado Creek (with Zucchet not present)

Second by Member Peters

Vote: 7-1

Redevelopment Agency Resolution and Document numbers R-03907, D-03907; R-03908; R-03909, D-03909; and R-03910; and City Council Resolution numbers Subitem A – Introduced, to be adopted on Tuesday, May 17, 2005; R-300391, R-300392 and R-300393.

Staff: Tracy Reed 533-7519

Michele St. Bernard 533-4218

Atty: Rachel H. Witt

Adjournment

The meeting adjourned as the Redevelopment Agency with City Council at 3:35 p.m.

Charles G. Abdelnour, Secretary Redevelopment Agency
of the City of San Diego
(jis)